

# SENATE BILL REPORT

## SB 5149

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As Reported by Senate Committee On:  
Environment, Water & Energy, February 10, 2009  
Ways & Means, February 17, 2009

**Title:** An act relating to assessing the state's geothermal resources for electrical power production.

**Brief Description:** Creating the geothermal assessment committee.

**Sponsors:** Senators Kline, Swecker, Rockefeller, Pflug, Fraser, Hargrove, Jarrett, Pridemore, Kohl-Welles, Schoesler, Brandland and Shin.

**Brief History:**

**Committee Activity:** Environment, Water & Energy: 1/27/09, 2/10/09 [DPS-WM, w/oRec].  
Ways & Means: 2/17/09 [w/oRec].

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### SENATE COMMITTEE ON ENVIRONMENT, WATER & ENERGY

**Majority Report:** That Substitute Senate Bill No. 5149 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Rockefeller, Chair; Pridemore, Vice Chair; Honeyford, Ranking Minority Member; Fraser, Hatfield, Holmquist, Marr, Morton, Ranker and Sheldon.

**Minority Report:** That it be referred without recommendation.

Signed by Senator Delvin.

**Staff:** Sam Thompson (786-7413)

**Background:** Washington's potential for generating energy from geothermal sources has not been analyzed to the degree that other potential energy sources have been studied. In 1981 the Department of Natural Resources Geology and Earth Resources Division published a map indicating hundreds of thermal and mineral springs and wells and providing basic information about them. Most of the thermal and mineral springs are located in the Cascade Range, and many are associated with volcanoes. Most of the thermal wells are located in the Columbia Basin. The agency updated the data in 1994. It is suggested that the state should undertake more intensive analysis of the potential for generating energy from geothermal sources.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Summary of Bill (Recommended Substitute):** A geothermal resource assessment committee is created to comprehensively assess geothermal resources in the state and their potential for environmentally responsible development for power production. The assessment must include:

- characterization of resources and potential for development for electrical generation and heating based upon current and projected technologies;
- economic implications of development potential;
- a review and description of current geothermal lease payments on federal lands;
- a review of state lands with development potential;
- a review of the effect of state water resource laws and policies on developing resources; and
- recommendations for legislative and administrative actions to encourage environmentally responsible resource development.

The committee must provide the assessment and recommendations to the Legislature by December 2009.

The committee will be chaired by the Commissioner of Public Lands (CPL), or the CPL's designee, and will include the Energy Policy Division of the Department of Community, Trade, and Economic Development; the chair of the Energy Facility Site Evaluation Council; the state geologist within the Department of Natural Resources (DNR); and the chair of the Utilities and Transportation Commission.

The CPL will also select representatives of the following entities, interests, and agencies to serve on the committee: publicly and privately owned utilities; independent power producers; geologists from academic, research, and private sectors; other interested sectors, including agriculture, forestry, and environmental; tribal governments with significant geothermal resource interests; and federal agencies with regulatory or land management responsibilities relating to development of geothermal interests.

DNR will provide necessary staff and administrative support.

**EFFECT OF CHANGES MADE BY ENVIRONMENT, WATER & ENERGY COMMITTEE (Recommended Substitute):** The proposed substitute:

- revises the title to make it more generic ("an act relating to assessing the state's geothermal resources") to encompass language calling for analysis of geothermal resources for concentrated heating purposes in addition to electric power production.
- deletes language providing for a geothermal resource assessment committee to conduct the assessment. Instead, DNR will conduct the assessment.
- provides that DNR will conduct an initial (rather than a comprehensive) assessment. DNR must make recommendations regarding a more comprehensive assessment.
- provides that DNR must secure nonstate funding to meet at least two-thirds of costs necessary to implement the act. If DNR is unable to secure sufficient nonstate funding by August 1, 2009, DNR will not implement the act.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on Original Bill:** PRO: Washington has high potential for development of geothermal resources. Relatively little study has occurred since the early 1980s, and existing analysis is outdated. The Northwest Power and Conservation Council has suggested development of geothermal resources, and they qualify as a renewable resource under Initiative 937. Land use and siting challenges should be considered in this assessment. While state funding of the assessment is a concern, federal stimulus funding may be possible.

**Persons Testifying:** PRO: Senator Kline, prime sponsor; Heath Packard, Dave Norman, DNR; Carrie Dolwick, Northwest Energy Coalition.